British Data Breach Caused by Upset Employee Provides Lesson for Companies Worldwide

November 4, 2015 â€“ After being disciplined by his employer, Morrisonâ€™s, for using the companyâ€™s mail room to run his shop on eBay, Andrew Skelton decided to retaliate. So, he created a data breach that leaked the personally identifiable information on 100,000 employees of the British based supermarket chain. Skelton has since been tried and convicted. He is now serving an 8 year prison term. But the nightmare for Morrisonâ€™s is far from over. The company is now being sued by affected employees.

Tweet

(function() {
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];
s.type = 'text/javascript';
s.src = 'http://widgets.digg.com/buttons.js';
s1.parentNode.insertBefore(s, s1);
})();

(function() {
var po = document.createElement('script'); po.type = 'text/javascript'; po.async = true;
po.src = 'https://apis.google.com/js/plusone.js';
var s = document.getElementsByTagName('script')[0]; s.parentNode.insertBefore(po, s);
})();

Skelton was a Senior Auditor in Morrisonâ€™s headquarters. His position gave him access to a wide variety of confidential company information including the companyâ€™s employee database.

After his conviction, a group of nearly 2,000 employees filed suit against the company for not adequately protecting their personal information. A British court has now given the group approval to move forward with the suit. The plaintiffs in the case were also given a green light to get more of Morrisonâ€™s employees involved in the suit.

While British and European Union privacy laws are considerably stronger than those in the United States, this incident provides an object lesson for companies worldwide. A poll conducted earlier this year by Sans Institute found that 40% of businesses have no plans in place to deal with data breaches caused maliciously by employees.

There is very little doubt that a data breach of this type in the United States would lead to a similar lawsuit. Regardless of the outcome of such a suit, the bad publicity generated as a result of the suit could prove extremely expensive to a defendant corporation.

Companies need to have policies in place to limit the access to employee data, to store such data in encrypted form, and to change sign-on credentials for such access on a regular basis. Given what happened at Morrisonâ€™s, companies should seriously consider changing those sign-on credentials prior to taking any disciplinary action against an employee with this type of access.
byJim Malmberg
Note: When posting a comment, please sign-in first if you want a response. If you are not registered, click here. Registration is easy and free.
Follow me on Twitter:

Follow ACCESS